

**DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF SOLID WASTE SERVICES**

**FY 2012 COUNTY EXECUTIVE
RECOMMENDED OPERATING BUDGET
PRESENTATION**

MARCH 22, 2011

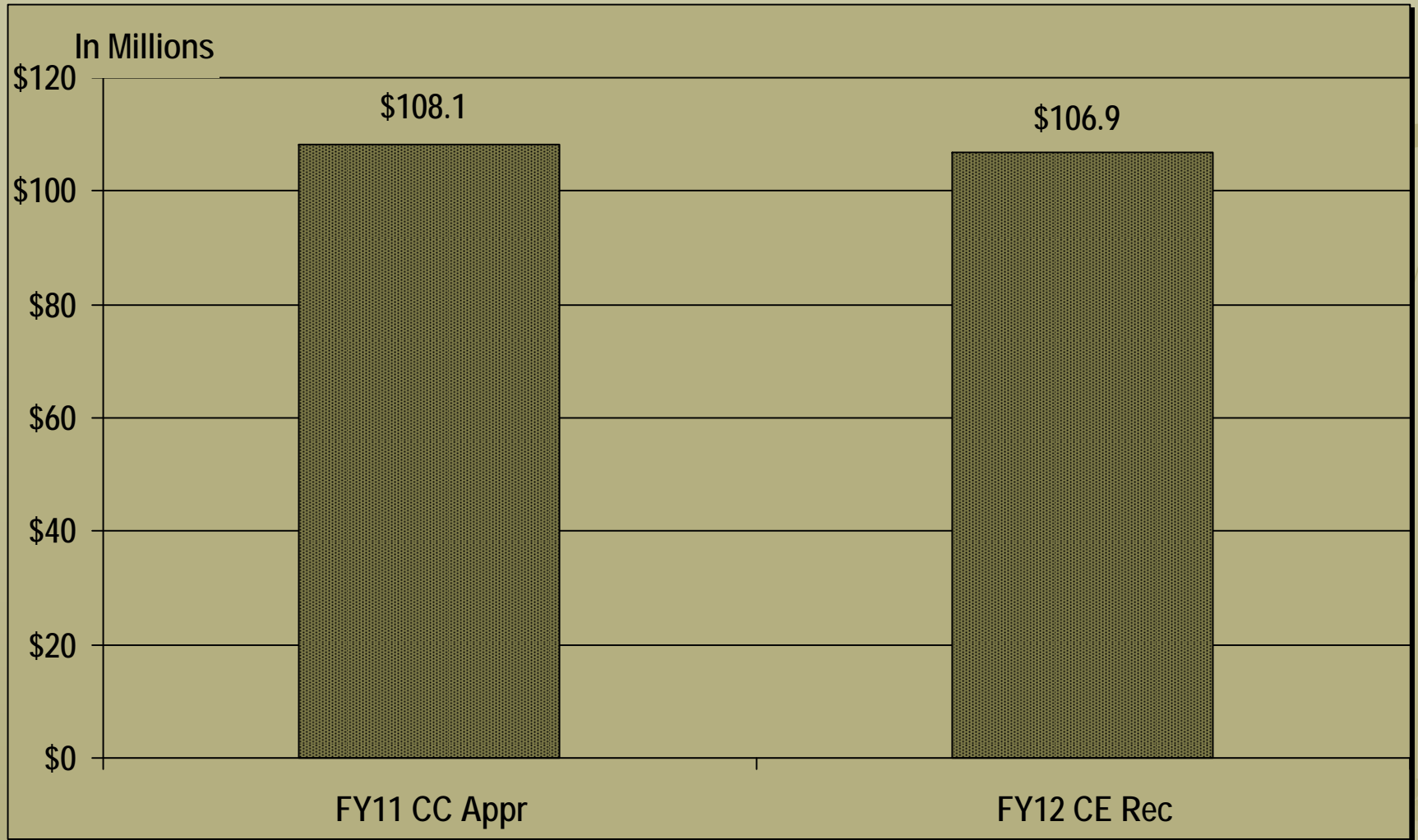
Prepared for the Solid Waste Advisory Committee

BUDGET OVERVIEW

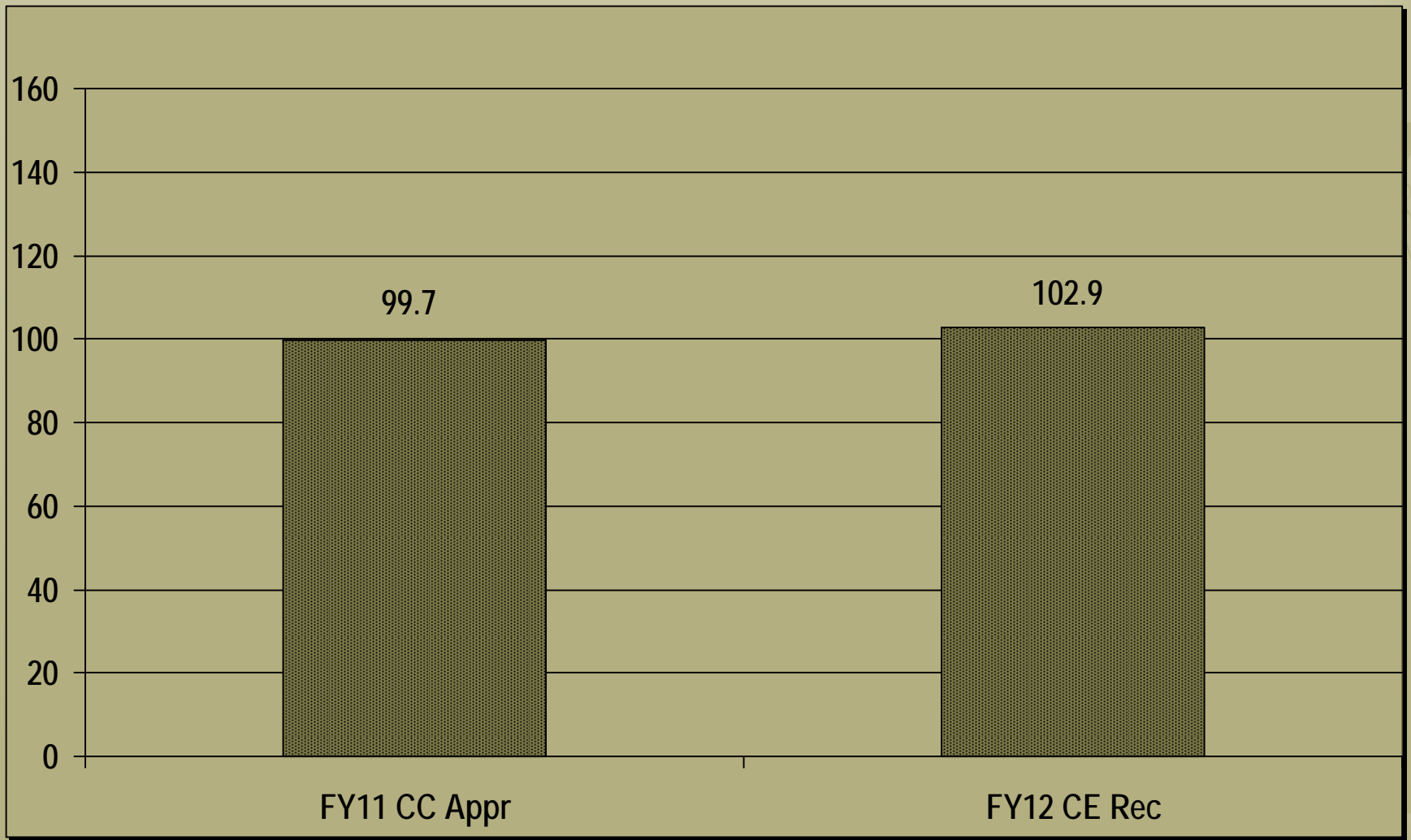
\$106.9 Million

- **Personnel Costs: 9.3% or \$9.9 million**
- **Operating Expenses: 90.1% or \$96.3 million**
- **Capital Outlay: .6% or \$663k**

EXPENDITURES



WORK YEARS



PROGRAM CONSOLIDATION

- For FY12 six programs have been consolidated into other existing programs
- This change was implemented at the request of the Office of Management and Budget (OMB)
- Streamlining of existing programs into related functional areas which will more accurately reflect actual work activities
- Automation => Administration
- Revenue Management & System Evaluation => Administration
- Mixed Paper Recycling => Recycling Center
- Regulation of Refuse and Recycling Transportation => Solid Waste Transfer Station
- Waste Detoxification = > Household and Small Quantity Household Hazardous Material
- Refuse Collection => Residential Collection

ADMINISTRATION & SUPPORT

- Increased 12% to \$3.33 million (including consolidation)
- For FY12 the Administration program now includes Automation and Revenue Management & System Evaluation programs
- Increase in Retiree Pre-funding requirements (in excess of \$300k)
- Provides automation, budget management, management analysis, human resource management, contract and procurement management support, administrative program support, and revenue management & system evaluation.

ADMINISTRATION & SUPPORT (cont.)

- Provides for the overall operation and maintenance of existing computer equipment and the purchase of any new automation equipment, technology, and software:
 - The division uses databases and computer mapping as management tools, the data is used to provide other internal and external services such as collection route maintenance
 - Update the Paradigm Real time truck scale house application at the Transfer Station Campus; There are 7 truck scales which connect to point of sale computers
 - Develop and support the Oracle database In order to collect, maintain, and report on the data collected from all the businesses and properties in Montgomery County

ADMINISTRATION & SUPPORT (cont.)

- Provides ongoing support in implementing the ERP E-Oracle Business Solutions: AR, AP, Procurement, GL, PnG, & Financial Reporting
- Provides for managing the enterprise fund business processes and supports solid waste policy issues through overall system evaluation
- Provides fiscal management over rate setting process and fund balance analysis
- System-wide tonnage, revenue tracking, and forecasting

COMMERCIAL RECYCLING & WASTE REDUCTION

- Decreased 1% to \$1.72 million (\$664k for outreach/education)
- Decrease due to personnel reallocation
- Provides for mandatory commercial sector recycling and waste reduction
- Maintain proactive enforcement-related actions
- Maintain aggressive program of site visits
- Maintain educational efforts
- Continue regulation-related activities
- Continue efforts to translate educational materials into other languages

DEBT SERVICE - DISPOSAL FUND

- Decrease near 0% to \$4.01 million
- Pays principal and interest payments for general obligation bonds and revenue bonds used to fund construction of County-owned solid waste management facilities (i.e. Recycling Center and Compost Facility, but not the Resource Recovery Facility)
- These payment amounts are scheduled

DICKERSON COMPOST FACILITY

- Decrease of 34% to \$2.82 million
- Due almost entirely to a reduction of \$1.42 million in capital equipment replacement
 - Will replace only the scales at Brookville
- Decrease of \$10K in Operating Costs
- Continued zero budget allowance for backup composting
- This program provides for: processing all yard trim received at TS, transportation of leaves and grass to Dickerson, and composting and marketing.
- Finished products:
 - Leafgro in bulk and bags
 - ComPRO in bags



DICKERSON MASTER PLAN

- Decrease 38% to \$90K
 - Reduced ground water monitoring by \$49K (change from 4x to 2x per year)
 - Reduced other items by \$5K
- This program implements the Dickerson Area Facilities Master Plan
- The Plan and identified environmental, community, and operational effects of the Dickerson area solid waste facilities (i.e. RRF, Compost Facility and Site 2 Landfill) and sets related policies.
- The “Dickerson Facilities Master Plan Implementation Schedule” includes routine Environmental monitoring by the Department of Environmental Protection (DEP), and also included periodic special studies (e.g. ambient air monitoring) which cause the annual budget to fluctuate.
- Items scheduled per the Master Plan for FY12 include:
 - Annual DAFIG support (\$3K)
 - Update Historic Displays (\$4K)
 - Annual forest maintenance plan implementation (\$2K)
 - Master Plan Update (\$5K for outside consultant)

GUDE LANDFILL

- Operating budget increased 32% to \$503k due to advance work necessary for planning remediation of the site
- A Nature and Extent Study to assess widespread low level groundwater contamination and plan remediation for the site was submitted to the Maryland Department of the Environment (MDE) on November 19, 2010 in FY11. MDE has requested some further site investigation and analyses. In late FY11 or early FY12 a formal assessment of corrective measures (i.e. remediation plan) will be submitted to MDE for approval. Costs for remediation at Gude will be difficult to determine until the corrective measures are evaluated and a remediation approach is approved.
- Encompasses all routine operational functions necessary to maintain the Gude Landfill, which closed in 1982
- Provides for the post-closure operation and maintenance of the landfill gas collection system, gas-to-energy facility and flare station
- Site maintenance of the cover, storm water, and erosion/sedimentation control systems
- Monitoring (performed by DEP) and maintenance of the landfill gas and groundwater monitoring wells
- Infrastructure and equipment maintenance

HOUSEHOLD & SMALL QUANTITY HOUSEHOLD HAZARDOUS WASTE

- Decreased 11% to \$1.05 million (\$142k for outreach and education) due to reduced personnel costs
- For FY12 the Household and Small Quantity Household Hazardous Waste program includes Waste Detoxification
- Provides for the collection and disposal of hazardous household waste and produces public education ads/publications concerning the potential dangers of, and alternatives to, these products. The drop-off has been open all hours that the Transfer station is open since March 1, 2010
- Includes the contractor-operated drop-off at the Transfer Station and scheduled satellite events; contractor packs and ships HHW to U.S. Environmental Protection Agency (EPA) approved disposal sites

HOUSEHOLD & SMALL QUANTITY HOUSEHOLD HAZARDOUS WASTE (cont.)

- Waste Detoxification provides assistance to businesses that qualify as small-quantity generators (SQG) of hazardous waste by providing them an economical and environmentally safe disposal option
- County just pays an administrative cost. Businesses pay their own disposal costs at a reduced bulk rate
- The County's hazardous waste contractor accepts SQG waste, and packs and ships material to EPA approved disposal sites

HOUSING & ENVIRONMENTAL PERMIT ENFORCEMENT

- Budget projections prepared by DEP and Department of Housing and Community Affairs (DHCA)
- Slight decrease less than 1% to \$1.09 million
- Decrease due to slightly lower operating costs
- Provides funds to DHCA to handle:
 - Illegal solid waste dumping activities (DEP)
 - Storage and removal of solid waste
 - Stored inoperable and unregistered vehicles on private property
 - Improper screening of dumpsters
 - Removal of dangerous or unsightly trash, perimeter grass, and weeds

OAKS LANDFILL

- Increased 3.0% to \$1.50 million due to increases in contractual costs
- Encompasses all operational functions necessary to maintain the Oaks Landfill, which closed in 2001, in an environmentally sound and cost-effective manner
- Provides for the post-closure operation and maintenance of the landfill gas collection system, gas-to-energy facility and flare station
- Site maintenance of the capping, storm water, and erosion/sedimentation control systems
- Monitoring (performed by DEP) and maintenance of the landfill gas and groundwater monitoring wells
- Operation of the Leachate Pretreatment Plant and leachate hauling
- Operation of the Oil/Grit Management Facility
- Infrastructure and equipment maintenance

OUT-OF-COUNTY REFUSE DISPOSAL

- Increased 1% to \$10.8 million
- The small increase despite increasing tonnages is directly related to efficiencies and cost savings achieved through the ash residue recycling program where ash residue is used as alternative daily cover and road base at Old Dominion and other Republic Services landfills
- Provides for the rail shipment of ash residue that is designated for recycling from the Resource Recovery Facility to the CSX Collier rail yard in Petersburg, VA. Ash is transported by truck from that location to Old Dominion Landfill in Henrico County, VA for processing for metals removal and recycling.
- Provides for the shipment of nonprocessable waste, such as construction material and, if necessary, bypass waste, from the Transfer Station to either recycling facilities or the contracted landfill, which is still available in Brunswick County, VA.
- Recycling of asphalt, concrete, and dirt, cardboard, metal and lumber. Increase in Construction and Demolition recycling achieved due to expanded recycling operations at the Republic site Honeygo Run Reclamation.
- In fiscal year 2010, approximately 154k tons of ash and 22k tons of non-processible waste were transported to the Brunswick Landfill site. 36k tons of rubble were sent to Honeygo Run Reclamation for recycle processing.

RECYCLING & WASTE REDUCTION *MULTI-FAMILY DWELLINGS*

- Decreased 1% to \$798k (\$351k for outreach/education)
- Decrease due to personnel reallocation
- Provides for mandatory recycling and waste reduction for multi-family properties
- Maintain proactive enforcement-related actions
- Maintain aggressive program of site visits
- Continue education of property owners, managers and residents
- Continue efforts to increase opportunities for on-site recycling in various areas at multi-family properties
- Continue to provide recycling bins for distribution and replacement

RECYCLING CENTER

- Total program costs decreased 2.0% to \$5.8 million
- For FY12 the Recycling Center program now includes the Mixed Paper program
- Capital costs decreased from 296k to 14k, since only some roll-off boxes are planned for replacement in FY12
- Overall decrease due to reduced schedule for capital outlay replacements in FY12
- Provides for the separation, processing, and marketing of recyclable materials
- Maintains four 10-hour-per-day shifts which began FY09
- Inbound material in FY11 through February 2011 has averaged approximately 106 tons per day and our processing rate has also been approximately 106 tons per day

RECYCLING CENTER (cont.)

- Mixed Paper Recycling Contract costs increased slightly in accordance with our contractual agreement with Office Paper Systems (OPS) which allows for an increase of 75% of the Employment Cost Index for Goods Producing Industries in the Baltimore-Washington Metropolitan Area
- Provides for the management, processing, and marketing of the County's residential mixed paper recycling

RECYCLING OUTREACH & EDUCATION

- Decreased 2% to \$295k (\$177k outreach/education)
- Decrease due to personnel reallocation
- Provides for comprehensive education about recycling, buying recycled products, reuse, composting, and waste reduction across all sectors
- Quarterly newsletter to civic and community leaders
- Conduct Earth Day and America Recycles Day events
- Education on most recent expansion of recycling program and items acceptable for recycling
- Continue efforts to increase recycling opportunities during community events

RESIDENTIAL COLLECTION

- Decreased 3% to \$24.79 million
- For FY12 the Residential Collection program now includes both Residential Recycling and Refuse Collection
- Decrease due to new contracts with lower fees charged by collection contractors. All new CNG trucks.
- Provides for procuring, administering, and enforcing contracts with private haulers for residential recycling collection in Subdistricts A & B, and respond to service needs of citizens
 - Contractual obligations:
 - Cost of living increases to contractors
 - New homes
 - Fuel costs assumed to be less than last year

Number of Households Served:
FY11 Estimate: 210,378 (Recycling)
FY12 Estimate: 210,798 (Recycling)
FY11 Estimate: 91,102 (Refuse)
FY12 Estimate: 91,284 (Refuse)

RESOURCE RECOVERY FACILITY & RELATED WASTE TRANSFER

- Increase 3% to \$43.1 million
- Almost entirely due to electricity market
 - Falling market
 - Prices for FY12 locked in January 22, 2011
- Indexed contract operating costs
- Scheduled debt service of the Northeast Maryland Waste Disposal Authority
- Provides for the operation of the RRF and related costs at the Transfer Station and transportation between the facilities
- Conduct extensive environmental and operational monitoring
- No change in projection for tonnage of waste processed; budget assumption remains at 575,000 tons of processible waste

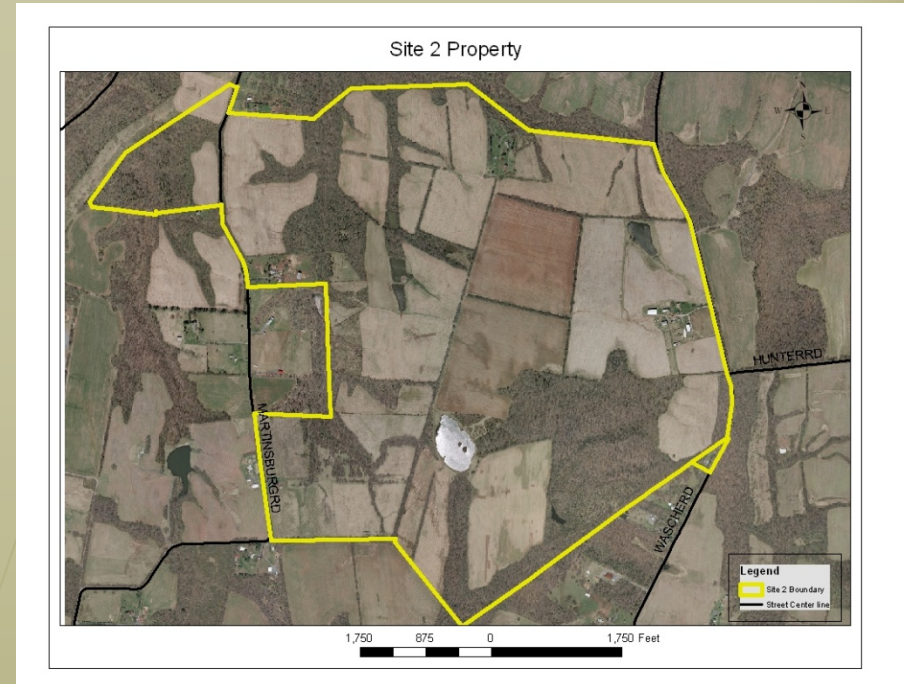


SATELLITE DROP-OFF SITES

- Decreased 1% to 224k
- Slight decrease in chargeback personnel costs
- Hauling costs are part of the Transfer Station budget
- Provides for disposal of non-putrescible bulky waste (up to 499 lbs.) by County residents at Poolesville Highway Services Depot; weekend hours only
- Damascus site was closed October 1, 2009

SITE 2 LANDFILL

- Decreased 2% to \$159k
- Ongoing pond work uses previous appropriation
- Rental property maintenance is through the Department of General Services (DGS) and charged back as needed
- Site and barn maintenance by MES
- Deer Management Program – No Cost



SOLID WASTE TRANSFER STATION

- Total program costs decreased 14% to \$3.91million due to anticipated reorganization of contracts to gain efficiencies
- For FY12 the Transfer Station program now includes the Regulation of Refuse and Recycling Transportation
- Capital equipment costs increase 3% from 542k to 558k
- Provides a receiving, processing, and shipping facility for municipal solid waste generated within the County
- Yard waste is also received, processed, and shipped to the compost facility, mulch preserves, or other outlets
- Also handles other recyclable materials such as tires, textiles, construction materials, oil, antifreeze, scrap metal, car batteries, computers, building materials, paper, and commingled materials

TRANSFER STATION (cont.)

- Provides for the enforcement of license requirements and regulates private residential and commercial waste haulers, including those that collect and transport refuse or recyclables

SUPPORT FOR RECYCLING VOLUNTEERS

- Decreased 19% to \$176k (\$126k for outreach/education)
- Decrease due to personnel reallocation
- Provides for the ongoing efforts to interweave and maximize efforts of volunteers and staff to improve participation in recycling and waste reduction
- Continue efforts to increase volunteer recruitment
- Provide specialized training opportunities and support volunteers
- Specially train “lead volunteers”
- Update and provide recruitment materials and volunteer handbook/information manual
- Produce quarterly The Recycleletter newsletter
- Purchase compost bins for distribution to residents

WASTE REDUCTION

- Increased 23% to \$245k
- Increase due to personnel reallocation
- Provides for the development of activities to reduce solid waste before it enters the waste stream
- Provides contractual support to *A Wider Circle* for the furniture reuse program
- Education relative to recovery of computers, televisions, other electronics, textiles, bicycles, and construction materials for reuse or recycling
- Translation of materials into other languages
- Other education and outreach efforts to encourage waste reduction activities at home, work and school
- Conduct outreach for reuse of non-hazardous water-based (latex) paints

WASTE SYSTEM PLANNING

- Increase 5% to \$299K
 - (Includes a 0.35 work-year increase due to re-allocation)
- This program houses planning staff and special studies.
- No special consultant studies planned in FY12.

WASTE REDUCTION OF YARD TRIM

- Maintain level of funding at \$152k (100% for outreach/education)
- Program efforts focus on management of yard trim at the source through grasscycling and backyard/on-site composting
- Develop instructional video on proper techniques of grasscycling for residents and lawn care professionals
- One-time mailing of grasscycling and composting information to residents
- Continue to conduct training (workshop) sessions on grasscycling and composting
- Continue working with landscape professionals and lawn care service providers
- Translation of educational materials into other languages

FY12 APPROVED SOLID WASTE SERVICE CHARGES TO BE COLLECTED VIA REAL PROPERTY ACCOUNT BILLING												
									Total Bill	FY11 Rates	Variance	% change
Base Charge (\$/ton)	x	Billing Rate (tons/HH) =	Disposal Charge	+	Base Systems Benefit Charge	+	Incremental Systems Benefit Charge	+				
Code Reference 48-32(a)(1) 48-32(c)(2) 48-8A(b)(2)(A) 48-8A(b)(2)(B) 48-29 48-47												
SUBDISTRICT A (Refuse Collection District)*												
Inside Leaf Vacuuming District \$56.00 0.870 \$48.71 \$51.75 \$113.30 \$70.00 \$88.91									\$372.67	\$372.76	(\$0.09)	-0.02%
Outside Leaf Vacuuming District \$56.00 0.870 \$48.71 \$51.75 \$113.30 \$70.00									\$283.76	\$283.85	(\$0.09)	-0.03%
Incorporated \$51.75									\$51.75	\$41.43	\$10.32	24.91%
SUBDISTRICT B SINGLE-FAMILY**												
Incorporated \$51.75									\$51.75	\$41.43	\$10.32	24.91%
Inside Leaf Vacuuming District												
Unincorporated \$56.00 0.870 \$48.71 \$51.75 \$113.30 \$88.91									\$302.67	\$298.76	\$3.91	1.31%
Outside Leaf Vacuuming District												
Unincorporated \$56.00 0.870 \$48.71 \$51.75 \$113.30									\$213.76	\$209.85	\$3.91	1.86%
MULTI-FAMILY RESIDENTIAL**												
Incorporated \$13.82 \$2.91									\$16.73	\$16.42	\$0.31	1.89%
Unincorporated												
Outside Leaf Vacuuming District \$13.82 \$2.91									\$16.73	\$16.42	\$0.31	1.89%
Inside Leaf Vacuuming District \$13.82 \$2.91 \$3.83									\$20.56	\$20.25	\$0.31	1.53%
NONRESIDENTIAL - \$/2,000 SQ. FT. ***												
Code Reference												
Waste Generation Categories												
Low \$124.39 (\$12.68)									\$111.71	\$105.04	\$6.67	6.35%
Medium Low \$373.17 (\$38.04)									\$335.13	\$315.12	\$20.01	6.35%
Medium \$621.95 (\$63.41)									\$558.54	\$525.18	\$33.36	6.35%
Medium High \$870.73 (\$88.77)									\$781.96	\$735.26	\$46.70	6.35%
High \$1,119.51 (\$114.13)									\$1,005.38	\$945.34	\$60.04	6.35%
OTHER APPROVED FY 12 SOLID WASTE FEES												
Base Solid Waste Charge under Section 48-32(a)(1): (This is known as the "Tipping Fee") \$56.00 /disposal ton												
Waste delivered for disposal <500 lb loads in privately owned and operated vehicles or trailers <1,000 capacity per Section 48-32(c)(2): \$0.00 /disposal ton				Recyclable Materials Acceptance Fees (Section 48-32(a)(2)): Paper and Commingled Containers \$0.00 /ton Yard Trim \$46.00 /ton								
Waste delivered in open-top roll-off box \$66.00 /disposal ton				Miscellaneous (48-31(f)): Compost Bins \$0.00 each								

* Note: Base System Benefit Charges are set to cover County Base System Costs net of Disposal Charges.

** With respect to Base and Incremental System Benefit Charges, this category includes dwellings in buildings of six or fewer households.

*** The Nonresidential rate multiplied by the total number of 2,000 square foot units of enclosed area equals the nonresidential charge.